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INFORMATION REPORT

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SUBJECT Absorption of Power by the Communists in the
Hungarian Foreign Service

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SUPPLEMENT TO
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1. The Communist penetration of the Hungarian Foreign Service was by no means accomplished from one day to the next. A large number of career diplomats and Foreign Ministry officials were able to assume their old positions after World War II, and the new appointees were selected on the basis of the representation of the various political parties in the government coalition. The Communists did, however, set up an elite guard within the Foreign Ministry and immediately laid plans for the acquisition of what for their purposes were key positions within the Ministry. The Communists strove by all manner of tricks to thwart efforts to appoint a non-partisan career diplomat to the position of chief of the Political Division of the Foreign Ministry until at last the only Communist section chief of the Political Division, George Seltai, was given the post.
 2. Although the Foreign Minister himself was a member of the Smallholders' Party (and something of a political opportunist), he was always under the surveillance of a Communist in the person of his cabinet chief, Laszlo Podbr, an intelligent and cultivated former high school teacher who has since been discharged.
 3. Active in the Political Division was the young but influential Pulay who was in charge of the opening of the diplomatic pouches and exercised from beginning control over the secret courier traffic. Other less important very youthful Communists were placed in the various sections of the Foreign Ministry to serve as observers and to report all significant information to Communist headquarters. Examples of these are Janos Erös and Josef Szall, who began their careers in the Peace Treaty Section.
- After the departure of Premier Ferenc Nagy, the direction of the Foreign Ministry fell exclusively into the hands of the Communists despite the fact that a large number of the old career diplomats were still at their posts. From this time until November 1948, the real chief of the Foreign Ministry was the above mentioned chief of the Political Division. Seltai, a man still in his thirties, energetic, of only slightly better-than-average intelligence, was supposed to have been trained as a lawyer but was actually recruited from business circles. Seltai's own directives, or those relayed by him from Party Headquarters, were authoritative, and he was able to overshadow the various Foreign Ministers (Erno Lohalyfi, Molnar) and Deputy Foreign Ministers who technically superseded him.

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5. Among the Deputy Foreign Ministers, the career diplomat, Pal Sebestyen, exercised a very minor role in matters of policy and busied himself more and more with purely administrative matters. The person who was technically in charge of political affairs, First Deputy Minister Elek Bolgar, who had returned to Hungary from exile in Russia, was a well-meaning intellectual far too little concerned with practical matters, and was content to remain in the background. He was finally sent to Prague as Ambassador, a change which he heartily welcomed.
6. Heltai's personal influence and importance also changed with the passing of time, but generally to his disadvantage. The final arbiter in all matters connected with foreign affairs (aside from Rakosi, of course, who keeps himself informed and makes his views known) was and is Josef Revai, the Party's chief ideologist, head editorial writer of Szabad Nep, member of the Central Committee, and Hungary's representative in the Cominform. Revai was born in what was formerly a part of Czechoslovakia, possibly the Carpatho-Ukraine, and is believed to have served on Russian foreign missions in Sweden and possibly also in the United States (under an assumed name) during the emigration. During the war he operated a Hungarian radio station in the USSR.
7. Revai is consulted on the more pressing matters of Foreign Ministry personnel policy, although he refused formally to take over the direction of the Ministry. Being of a fanatical, embittered, and energetic nature, he is always in favor of radical solutions to problems, whereas the more easy-going Heltai was inclined toward a more reasonable approach. The thing which hastened Heltai's dismissal was the Josef Garzuly affair.
8. Garzuly was a native of Bratislava who became a Hungarian citizen again upon the revision of the Slovak frontier in 1938. Well-educated and highly intelligent, he became for a short time an official of the Statistical Office and later Press Attache at the Hungarian Legation in Zagreb, where he acquired some good contacts with Tito's resistance movement. Upon the reestablishment of a Hungarian Legation in Vienna, Garzuly was assigned there as Counsellor and, upon the defection of Minister Laszlo Bertok, became Charge d'Affaires. Garzuly owed his position to Heltai, who shielded him from attacks on the part of the Communist Hierarchy.
9. Garzuly fled to Switzerland in the fall of 1948. Charges of embezzlement were placed against him and he was brought before a Swiss court for an extradition hearing, but the Hungarian charges were so vague that no proceedings were ever instituted.
10. After Heltai's loss of face, the unofficial position of Secretary of State for Foreign Political Affairs was taken over by the former chief of the Planning Division, Andor Berei, a very energetic veteran Communist. Berei served for some time between the wars as a Comintern representative in Belgium. In the Foreign Ministry he soon became a leading personage while the Minister, Laszlo Rajk, sank more and more into the background. Rajk, the only member of the Central Committee who had not spent the years of exile in Moscow, belonged from the very beginning to the inner faction opposing Rakosi. Unconfirmed rumors allege that Laszlo Rajk stumbled some time ago on some information which would have seriously compromised Rakosi's position. Rajk, however, is said to have attempted to use this information prematurely and to have merely worsened his own position.
11. After the fall of Nagy, the Communists concentrated on preparations for the new elections and left the purging of government personnel for a later date. All dissidents who did not at that time resign were allowed to remain for the time being at their posts. The purge was set for the end of 1947 and early 1948. The motive behind this house-cleaning was not only the dismissal of unreliable personnel, but also the making of room for new Communist cadre men. These new activists were selected from the innermost ranks of the Party and were closely connected with the political police. The leaders of the new group

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were, in fact, transferred to the Ministry from the police. The organizational connections between this Foreign Ministry elite and the political police are not quite clear, but it suffices to say that they are composed, despite their youth and inexperience, of the cream of the Party cadre.

12. The following are some of the members of the elite guard:

- a. Heltai himself, who, however, was transferred to the Ministry of Justice after the Garzuly affair.
- b. Janos Beck, present chief of the Political Division and formerly Heltai's deputy. Beck's brother, Stefan, was Foreign Minister Rajk's chief of cabinet.
- c. Peter Nod, former chief of cabinet and present Charge d'Affaires in Paris.
- d. Josef Szall, current Charge d'Affaires in Bern.
- e. Gabor Pullay, Charge d'Affaires in London and a leading exponent of the new political line.
- f. Marianne Janosi, Derei's chief of cabinet, niece of Mrs. Laszlo Velics (formerly Mrs. Ladislav Ferenczi) and cousin of Edmond Ferenczi.
- g. George Rozsa, who held an important position in the Presidential Division and is currently Secretary of the Embassy at Moscow. He was formerly a Party cadre official in the Foreign Ministry. This position was taken over by one Felix, who does not appear, however, to belong to the inner elite.
- h. Tamas Matrai (formerly called Manthner), chief of the so-called Administrative Division--actually the Police Division--who is probably the most important member of the Ministry's Communist elite. Matrai had a bourgeois upbringing, studied Germanic philology at the university.

13. Aside from personnel matters, the issuance of passports and exit permits, and the supervision of cryptographic work, Matrai's division is concerned with the carrying out of those secret missions which have been assigned to the Foreign Ministry. The connections between the Foreign Ministry elite and the political police are kept strictly under cover. Josef Szall in Bern, for instance, was once sternly upbraided by his friend Heltai because he had communicated directly with Lieutenant Colonel Deesi of the police concerning a request for information on the background of a certain person living in Switzerland instead of going through the required Foreign Ministry channels. The secret reports from agents in the diplomatic missions to the members of the Foreign Ministry elite go directly to a cadre man who reads them and then passes them on.

14. Reports like those of Szall's are probably passed on the Janos Orban, chief of a section within the Party Central Headquarters, and then to Tibor Szönyi, who at one time worked as a dentist in Zurich under the name of Tibor Hoffmann and organized during the war a Communist group among the Hungarian emigre youth. After his return to Budapest, Szönyi became chief of the Organization Section of the Party Headquarters and is also concerned with certain police matters.

15. Janos Nyerges, Commercial Attache at Bern and former deputy to Commercial Attache J. Beck, sends his secret reports to the Party's State Police Section, which is apparently the section which frames police policies and controls the personnel problems of the Kader.

16. In one of his reports, Nyerges openly stated that the machinations aimed at the downfall of the Social Democrat, Beck, were intended to serve to promote Nyerges' interests and to deliver the control of the Commercial Section into his hands. In his reports, Nyerges complained that Beck had refused, in connection with the Swiss-Hungarian trade negotiations, to give certain information to the Yugoslavs (which would actually have been used by them to the detriment

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ment of Hungary). Nyerges also stated that he, for tactical reasons, would maintain exceptionally friendly relations with Beck.

17. Nyerges was at that time in close contact with the Commercial Attache in Rome, Paul Soltesz, who has since defected. Nyerges apparently received instructions from Soltesz. Soltesz was a veteran Communist who back in the days of the Thaelmann trial in Germany had been arrested as a Comintern agent.

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